

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, October 29, 2008

STATE RELOCATABLE CLASSROOM PROGRAM  
AUTOMATIC LEASE EXTENSIONS

PURPOSE OF REPORT

To request an automatic six-month lease extension for the remaining State relocatable classrooms under the State Relocatable Classroom Program (Program) Phase-Out Plan (Plan).

BACKGROUND

At the October 2005 State Allocation Board meeting, the Board adopted the Plan that outlines a process for immediate disposal of all State relocatable classrooms and permits school districts and other entities to purchase the classrooms. As part of the Plan, the Office of Public School Construction (OPSC) no longer accepted applications for new leases after December 2005 and identified an end date for all current leases of August 31, 2008. In the Plan, the Board agreed to allow up to a two-year time extension if the district could demonstrate a compelling need to continue to lease the relocatable classrooms.

AUTHORITY

Education Code Section 17094 permits the Board to dispose of a State relocatable classroom to the public or private entity in any manner that it deems to be in the best interest of the State, if the Board deems there is no longer a need for the State relocatable classroom.

STAFF COMMENTS

As indicated in the Board approved Plan, a district is eligible for a one-time extension for up to two years ending no later than August 31, 2010, which is the sunset of the Program. The five school districts listed on the Attachment have not responded to the letters sent by Staff to either purchase or return the 138 State relocatable classrooms. These districts have received a minimum of three letters and in some cases up to seven letters, depending on whether they had classrooms in only one phase or all three phases. Staff has contacted the districts by telephone and a variety of reasons have been provided by districts regarding their non-responsiveness to our letters.

In order to provide these districts one final opportunity to purchase or return the relocatable classrooms, Staff is recommending a six-month time extension, ending on February 28, 2009, as shown on the Attachment. For this six-month period, these districts will be charged a non-refundable lease rate of \$2,000 per State relocatable classroom, which is one-half the current annual lease rate. If a district chooses to purchase their relocatable classrooms before the end of the lease extension term, the lease payment will be prorated. If these districts do not provide the OPSC with a decision to purchase or return these buildings within the six-month time extension, the districts will be required to return the classrooms in well-maintained and move-in condition as bound by the terms of the lease agreement, and the OPSC will offer to sell these relocatable classrooms to other districts and charter schools. Staff is recommending this limited time extension to enable the OPSC to sell these relocatable classrooms expeditiously and meet the Board's directive to complete the phase-out in 2010.

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RECOMMENDATIONS

1. Approve Staff's recommendation for a six -month time extension for districts listed on the Attachment.
2. Require districts to pay \$2,000 per State relocatable classroom for the extended six-month lease term.
3. Require the districts to notify the OPSC by December 31, 2008, of the districts' intent to purchase or return the State relocatable classrooms as notated in Staff Comments.
4. Authorize Staff to sell the State relocatable classrooms listed on the Attachment to other school districts and charter schools should these districts fail to notify the OPSC by December 31, 2008, which is 60 days prior to the expiration of the time extension.

ATTACHMENT  
STATE RELOCATABLE CLASSROOM PROGRAM  
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SCHOOL DISTRICT	COUNTY	CDS CODE	NUMBER OF BUILDINGS	OPSC BUILDING NUMBER	SITE
Big Oak Flat - Groveland	Tuolumne	75184	1	34820	Tioga High
Calexico Unified	Imperial	63099	3	33458, 34973, 34974	Aurora High
			8	31435, 31441, 31444, 31451, 31536, 31537, 30772, 30773	Calexico High
			6	33523, 33528, 33632, 35160, 35162, 35163	Charles (Blanche)
			6	34122, 34123, 34149, 34150, 34151, 34152	De Anza Middle
			30	34120, 34124, 34125, 34126, 34127, 35168, 35183, 35190, 35191, 35192, 35193, 35194, 35195, 35196, 35197, 35198, 35199, 35200, 35248, 35249, 35250, 35251, 35257, 35258, 35259, 35260, 35261, 35262, 35263, 35264	Enrique Camarena Junior High
			4	35294, 30629, 33631, 34104	Jefferson
			4	33629, 33654, 33963, 34145	Kennedy Garden
			2	31006, 31007	Mains
			18	34502, 34503, 34504, 34505, 34506, 34507, 34245, 34246, 34247, 34248, 34249, 34250, 35161, 35165, 35169, 35170, 35171, 35181	Moreno (William) Junior High
			4	35164, 35166, 35167, 35182	Rockwood
Eastside Union	Los Angeles	64477	2	31418, 31419	Cole (Gifford) Middle
Pasadena Unified	Los Angeles	64881	7	34086, 34087, 34088, 34089, 34090, 34091, 34092	Altadena
			9	33453, 33455, 33466, 33529, 33530, 33531, 33615, 33976, 33994	Audubon
			1	34099	Blair High
			2	30930, 31020	Burbank
			1	31015	Cleveland
			1	34146	Eliot Middle
			1	31016	Franklin
			3	34095, 34097, 34101	Jackson
			7	30929, 31019, 33630, 33633, 33634, 33635, 33636	Longfellow
			2	33626, 33627	Madison
			2	33624, 33625	Marshall Fundamental
			1	34121	Muir High
			1	30928	Sierra Madre
			6	34137, 34138, 34139, 34140, 34141, 33628	Washington Middle
			4	33620, 33621, 33622, 33623	Willard
			1	34135	Wilson Middle

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SCHOOL DISTRICT	COUNTY	CDS CODE	NUMBER OF BUILDINGS	OPSC BUILDING NUMBER	SITE
San Gabriel Unified	Los Angeles	75291	1	32684	Washington

TOTAL NUMBER OF BUILDINGS      138